

شركة كوبريون الشرق الأوسط المحدودة

Coperion Middle East Co. Ltd., P.O. Box 11021, Jubail - 31961, Saudi Arabia

S-Chem

Saudi Chevron Phillips Chemical Company
Jubail Industrial City – 31961
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Attention To.:

Mr. Muhammad Tariq Shafi

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C.R. 2055001949
Paid up Capital S.R. 500,000

**BUDGETARY
PRICED**

Jubail, July 06, 2022

Subject: Coperion Field supervision support for sleeve modification during the Gearbox Overhauling at Unit 43, Schem

Your RFQ Ref.: Email dtd. June 19, 2022

Our Budget Quotation Ref.: CMES-0671.QSM10213.Rev02

Dear Mr. Tariq,

As discussed during our bid clarification meeting dtd. July 6, 2022, we hereby sending you our **REVISED BUDGETARY COMMERCIAL PROPOSAL** for deputing 2 Machining Specialist to Schem during sleeve modification of Extruder Gearbox at Unit 43.

Following revisions been made in this revised proposal:

- **Spare Sleeve:** The quoted 1 pc. spare sleeve for the Sleeve modification has been excluded from our scope and quoted it as optional. This can be added to our scope upon SChem request. Accordingly:
 - ⇒ pricing for spare sleeve excluded in this revised quoted price.
 - ⇒ Additional discount of 10% is offered for the remaining parts and accordingly the final price for materials is **EUR 20,137.50**
- **Machining Tools:**
 - ⇒ Additional discount of 10% is offered for the tools and accordingly the final price is **EUR 47,880.-**

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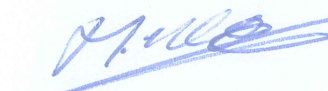
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We hope it would meet with your positive expectation and approval. If you have any queries or clarifications, please don't hesitate to contact us.

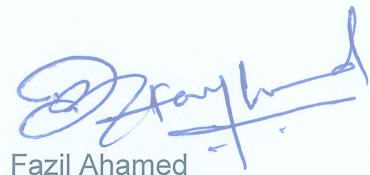
We look forward in receiving your valuable Purchase Order and remain with many thanks.

Many Thanks and Best regards

Coperion Middle East Co. Ltd., Jubail



Martin Wolf
Technical Support & Extrusion Service Manager
Coperion Middle East Co. Ltd



Fazil Ahamed
Project Manager
Coperion Middle East Co. Ltd

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Scope of Work – General Overview

The scope covers deputing 2 Field Service / Machining Specialist from company COPERION GmbH for a period approx.. a week for providing technical consultancy supervision services for sleeve modification & supply of Special Tools during the overhauling of the Extruder Gearbox at Schem Unit 43 at Jubail, KSA.

Remarks: The proposal is based on the assumptions that the sleeve modification will be carried out during the main gearbox overhaul of unit 43 at Schem.

Machine Details:

Extruder Application:	ZSK380
Coperion Machine No.:	20507540
Coperion Main Project No.:	64020863
Gearbox:	SUPREX 316R356

Manpower Required:

The supervision services will be carried out by: 2 nos. of machining Specialist.

Pos. 1.1	Coperion Machining Specialist	01 AU	DAY SHIFT
Pos. 1.2	Coperion Machining Specialist	01 AU	DAY SHIFT

Remarks:

Coperion will provide the special toolbox for Sleeve modification and Thread repair on Daily rental basis.

All other manpower, equipment, lifting equipment, tools, permits, safety & QAQC docs., preparation works and spares required to execute the job has to be arranged and taken care by the client.

The proposal is based on the assumptions that the sleeve modification will be carried out during the main gearbox overhaul of unit 43 at Schem.

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Service Duration / Schedule

Duration of service expected to be for approx.. 5-7 days with respect to actual site scenario. For budget purpose we are estimating a total duration of approx.. 6 Days, 12 Hours / Shift, 06 Days per week.

The working days proposed above are only for estimation purpose. The actual duration of service will be according to the actual site scenario. The 12 Hours extended working shift is applicable only for this service visit due to 7 days short term service. If the days exceeds our proposed 7 days, then our standard Normal working shift 10Hours / Day and 60 Hours per week and an immediate day-off will be applicable.

Standard Work Schedule for each Coperion Service Engineer:

*Our Field Service Engineers shall perform the work on both Day & Night Shifts. Each Working Shift shall be of maximum 10 Hours / shift, as per the proposed schedule. Our Field Service Engineers are allowed to work for a **maximum of 6 consecutive days a week, i.e., 10 hours per shift / 60 Hours per week including One Day-Off (7th day of week)** – in accordance to the regulation of German Labor Law. If required and/or requested by the client to work more than the above specified period, the client may request Coperion with a written approval from the Saudi Ministry.*

Remarks: The above proposed work duration is exclusive of any Covid-19 Quarantine period in Saudi Arabia and Germany (or any other Nation outside KSA), which shall be additionally considered for the actual service scheduling – as per the actual number of Quarantine days as advised by the Ministry of both the countries. The applicable quarantine period / days are subject to chargeable.

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Budgetary Lump-Sum Price Summary

Pos.	Engineer Designation / Name	Qty	Shift	Total Amount
1.1	Machining Specialist -1	6 Days	DAY	€ 25,460.00
1.2	Machining Specialist -2	6 Days	DAY	€ 25,460.00
1.3	Sleeve Modification Tools – Daily Rental	26 Days	-	€ 47,880.00
1.4	Spare sparts – Sleeve Modification + Thread Repair	1	Lot	€ 20,137.50
	Spare Sleeve 1pc excluded in above pricing			

Budgetary price for Coperion Field Supervision – excl. VAT € 118,937.50

Quarantine Charges are excluded and will be added as per actual days

Standard KSA VAT – 15% € 17,840.63

Total Budgetary Price – incl. 15% VAT € 136,778.13

Price includes Working Rates, Mobilization-Demobilization Charges, Local Transportation, Food, Accommodation and Daily Allowances for One engineer.

The working days proposed above are only for estimation purpose. The price quoted above is only an “**Estimated Budgetary Value**” in accordance to our Unit rates and on completion of the visit, we will invoice with a final amount based on actual time sheet signed by the customer.

Detailed Price Breakdown for each position is shown in Page No. 5 and 6

OPTIONAL SCOPE & PRICE:

1.5	1 spare sleeve ø 560h6/585 x 195 mm, material C45	1	pc	€ 6,750.00
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Remarks:

The price is exclusive of Covid-19 Quarantine charges in Saudi Arabia and Germany (or any other Nation outside KSA), which the customer shall be additionally liable to pay Coperion during Invoicing as per the actual total number of Quarantine days as advised by the Ministry of both the countries. The applicable quarantine period charges are as follows:

- Standby Charges: Eur 1,600.00.- per Day per engineer (KSA, Germany and/or outside KSA)
- Daily Allowances: Eur 355.- per Day per engineer (KSA)

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Detailed Price Breakdown + Time Sheet Summary					
Pos.1.1 – Machining Specialist #1 – DAY Shift					

Pos	Budgetary Price Breakdown	Qty	Uom	Unit Price	Total Price
1	Normal Working Rates – Day Shift	40	Hrs	€ 198.00	€ 7,920.00
2	Overtime Rates #1	10	Hrs	€ 220.00	€ 2,200.00
3	Overtime Rates #2	10	Hrs	€ 275.00	€ 2,750.00
4	Public Holidays - Overtime Rates #3	0	Hrs	€ 275.00	-
5	Normal Working Rates (Night Shift)	0	Hrs	€ 275.00	-
6	Mobilization / De-mobilization Charges	1	R.Trip	€ 9,750.00	€ 9,750.00
7	Daily Allowances (Work + Travel)	6+2	Days	€ 355.00	€ 2,840.00
Total Price for Machining Specialist #1 - 6 DAY Shifts				€ 25,460.00	

Pos	Tentative Service Period		Uom	DAY	OT-1	OT-2	NIGHT
1	Mobilization	Saturday	Hrs	Travelling Day			
2	Day-01	Sunday	Hrs	8	2		-
3	Day-02	Monday	Hrs	8	2		-
4	Day-03	Tuesday	Hrs	8	2		-
5	Day-04	Wednesday	Hrs	8	2		-
6	Day-05	Thursday	Hrs	8	2		-
7	Day-06	Friday	Hrs	-	-	10	-
8	De- Mobilization	Saturday	Hrs	Travelling Day			
Working Hours for Engineer-1 / DAY Shift				40	10	10	0
Total Working Hours for Engineer-1 / DAY Shift							60

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Detailed Price Breakdown + Time Sheet Summary					
Pos.1.2 – Machining Specialist #2 – Day Shift					
Pos	Budgetary Price Breakdown	Qty	Uom	Unit Price	Total Price
1	Normal Working Rates – Day Shift	40	Hrs	€ 198.00	€ 7,920.00
2	Overtime Rates #1	10	Hrs	€ 220.00	€ 2,200.00
3	Overtime Rates #2	10	Hrs	€ 275.00	€ 2,750.00
4	Public Holidays - Overtime Rates #3	0	Hrs	€ 275.00	-
5	Normal Working Rates (Night Shift)	0	Hrs	€ 275.00	-
6	Mobilization / De-mobilization Charges	1	R.Trip	€ 9,750.00	€ 9,750.00
7	Daily Allowances (Work + Travel)	6+2	Days	€ 355.00	€ 2,840.00
Total Price for Machining Specialist #2 - 6 DAY Shifts				€ 25,460.00	

Pos	Tentative Service Period		Uom	DAY	OT-1	OT-2	NIGHT
1	Mobilization	Saturday	Hrs	Travelling Day			
2	Day-01	Sunday	Hrs	8	2		-
3	Day-02	Monday	Hrs	8	2		-
4	Day-03	Tuesday	Hrs	8	2		-
5	Day-04	Wednesday	Hrs	8	2		-
6	Day-05	Thursday	Hrs	8	2		
7	Day-06	Friday	Hrs	-	-	10	-
8	De- Mobilization	Saturday	Hrs	Travelling Day			
	Working Hours for Engineer-1 / DAY Shift			40	10	10	0
	Total Working Hours for Engineer-1 / DAY Shift						60

Remarks:

For both the Specialist under Pos. 1.1 and 1.2, the above proposed work duration is exclusive of Covid-19 Quarantine periods in Saudi Arabia and Germany (or any other Nation outside KSA), which shall be additionally considered for the actual service scheduling – as per the actual number of Quarantine days as advised by the Ministry of both the countries.
The applicable quarantine period / days are subject to chargeable.

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Detailed Price Breakdown				
Pos.1.3 – Special Tools for Sleeve Modification and Thread Repair				

ID No.	Description	Qty	Uom	Total Price
Tools	Special tools for Sleeve Modification and Thread Repair – Rental Charge: Inc DDP - Round Trip Transportation – Europe - Schem	26	Days	€ 53,200.00
	Special Discount – 10%	-	-	€ 5,320.00
Tools	Total Charges for Tools – Fixed Price			€ 47,880.00

Please see the following tentative schedule / breakdown summary for the above quoted 26 days utilization of Tool Box for the Sleeve Modification scope.

Sl.No		Qty	Unit
1	Dispatch from Europe	2	Days
2	Airfreight Transit to Schem	8	Days
3	Standby Days (If any) at Schem	0	Days
4	Operation -	6	Days
5	Standby Days (If any) at Schem	0	Days
6	Airfreight Transit to Europe	8	Days
7	Arrival at Europe	2	Days

Remark:

- The total number of days considered for Transit and operation is 26 days, If the duration exceeds more than 26days, then following charges applicable for each additional Day.
 - Operation - € 2,000.00 per day
 - Standby – € 670.00 per day

The above rental price for Pos.1.3 - Sleeve modification and thread repair tools is including the DDP delivery charges covering round-trip transportation Europe - Schem. The rental charges are applicable from the date of dispatch until received back at the Europe office.

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Detailed Price Breakdown
Pos.1.4 - Spare Parts for Sleeve Modification and thread repair

Sl.No	Material Description	Qty	Price
1	1 pc Sleeve ø 560h6/580J6 x 195 mm, material C45	1	
	1 spare sleeve ø 560h6/585 x 195 mm, material C45	-excluded-	-excluded-
2	Consumables M56 x 5.5P x 2D Heli coil Set, including Stainless Steel 5 pieces insert Heli coils	1 Set	
	Total Price Excluding 15% VAT		€ 22,375.00
	Special Discount – 10%		€ 2,237.50
	Total Final Price Excluding 15% VAT -		€ 20,137.50

Delivery Terms – 8 weeks, DDP Schem

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Coperion Middle East Schedule rates for Field Service - Contract Rate - 2022		
SN	Description	Unit Price
1	Normal Working Rates – Day Shift - (First 8 Hours) Normal Working Hours - 8 Hrs / Day & 5 days / week (Sun.-Thu.) Standard Normal working hours (7.00AM - 4.00PM) per day	€ 198.-
2	Overtime Rates #1 - (9th and 10th Hour) Over time work hour - First 2 Hours exceeding Normal 8 Hrs 9th and 10th Hour: 5 days / week (Sun. – Thu.)	€ 220.-
3	Overtime Rates #2 - (From 11th Hour) Overtime work hour - exceeding the first 10 Hours From 11th Hour: 5 days / week (Sun. – Thu.) and/or Fridays & Saturdays	
4	Normal Working Rates – Night Shift Normal Working Hours – 8 Hrs / Night and 5 days/ week (Sun.- Thu.) First 8 hours during (6.00PM - 6.00AM) per day Any Hours exceeding the first 8 hours during above period will be considered under clause 2,3, and 5	
5	Overtime Rates #3 - (Weekends) Any work hours during Fridays & Saturdays	€ 275.-
6	Overtime Rates #4 - (Public Holidays) Any work hours during Public Holidays	
7	Mobilization / De-mobilization Charges Flight costs, Traveling Hours, Visa fee & all other travel expenses / Person / Round trip: Europe - KSA	€ 9,750.-
8	Allowances Daily allowance, Accommodation, meals and local transport / Person/ Calendar day	€ 355.-

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Commercial Conditions

For deputing 2 experienced Field Service / Machining Specialist from company COPERION GmbH for a period approx.. a week for providing technical consultancy supervision services during Sleeve modification at Schem U43 gearbox at Jubail, KSA

Total Budgetary Lump Sum Price: € 118,937.50 (excluding quarantine charges and VAT)

The price quoted above is only an estimated budgetary value for 2 Engineers calculated based on the provided unit rates against tentative service duration / schedule.

The price includes Working Rates, Mobilization-Demobilization Charges, Local Transportation, Food, Accommodation and Daily Allowances.

The price is exclusive of the 15% applicable KSA standard Value Added Tax, which the customer shall be additionally liable to pay Coperion during Invoicing. All taxes imposed in Germany shall be for account of Coperion.

Remarks: The price is exclusive of Covid-19 Quarantine charges in Saudi Arabia and Germany (or any other Nation outside KSA), which the customer shall be additionally liable to pay Coperion during Invoicing as per the actual total number of Quarantine days as advised by the Ministry of both the countries. The applicable quarantine period charges are as follows:

- Standby Charges: EUR 1,600.- per Day per engineer (KSA, Germany and/or outside KSA)
- Daily Allowances: EUR 355.- per Day per engineer (KSA)

Payment Terms:

The price quoted above is only an estimated budgetary value and on completion of the visit, we will invoice with a final amount based on actual time sheet signed by the customer and as per the actual no. of quarantine days in KSA and Germany (or any other Nation outside KSA) as advised by the Ministry of both countries.

100% - Upon completion of service, net 30 Days.

Remarks: If Service Entry Sheet No. (SES) is applicable and/or required for invoicing, then the Approved SES should be immediately released within 5 working days upon receipt of our invoice without deduction. Service Report will be issued upon receiving SES no.

Payment release Net 30 Days upon SES release.

Price Basis:

The prices of our quotation have been calculated and are applicable only for this service visit. Should the cost situation change significantly before the start of the service, the new price will be fixed automatically and the Customer will be informed about it.

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Additional / Waiting Charges

For the Field Service EUR 1600.- per day per engineer will be charged as additional cost for waiting, idle time for reasons beyond sellers control. On site hours (Safety orientation, waiting for gate pass etc.) is liable to be charged under working hours according to our provided unit rates.

Daily allowances per engineer per calendar day – applicable for the engineers from Germany (or any other nation outside KSA) will be charged as per our quoted standard unit rate EUR 355.- Clause #8

Order Cancellation Charges

If you withdraw from the Contract or reschedule the agreed dates, we can demand compensation for our travel arrangements and expenses incurred. Our claim for compensation is lump sum in consideration of non-use of services and possible alternative use.

- Upto 31 Days before : 10%
- From 30 to 16 Days : 15%
- From 15 to 08 Days : 20%
- From 07 and Non-Use the agreed service : 25%

Place of Performance

SCHEM U43 Site, Jubail, Kingdom of Saudi Arabia

Service / Deputation Date:

Service start dates are subject to availability of our engineers. The exact service schedule to be discussed and mutually agreed in advance. The quoted number of days are only for budgetary estimation purpose.

Quotation Validity: 30.07.2022

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❖ **General T&C - Responsibilities of Contractor - Coperion Middle East Co. Ltd.**

The Scope of work described shall be executed in accordance with the following terms and conditions.

CONTRACTOR's responsibilities:

- Coperion shall perform safe and timely execution of all work activities described with the local manpower support from client.
- Work orders are solely given to our personnel by us. The customer has the authority to instruct our personnel with regard to his work and safety regulations.
- Coperion may provide Technical advisory service to client in planning the job and may also assist the client to know about the preparatory work required.
- Coperion shall perform the work either on Day Shift or night shift as requested by client. Each Working Shift shall be of maximum 10 Hours, as per the proposed schedule. Coperion Field Service Engineers are allowed to work for a maximum of 6 consecutive days a week, ie., 10 hours per day / 60 Hours per week as per the regulation of German Labor Law. If required and/or requested by the client to work more than the above specified period, the client may request Coperion with a written approval from the Saudi Ministry.
- Coperion engineers shall be available for operation start up support after completion of maintenance work till feed in, if required and/or requested by the client. Charges applicable on agreed Unit Rate basis provided in this quotation.
- At the end of the service activity, a detailed report shall be submitted to Company by Coperion. This will be provided after release of Service Entry Sheet (SES) number from the end-user
- Coperion will be responsible for all basic PPE's for his manpower.

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❖ **General T&C - Responsibilities of Client – wherever applicable:**

The Scope of work described shall be executed in accordance with the following terms and conditions.

- Isolation and Decontamination of Equipment/system.
- Electrical & Instrument disconnections
- System Blinding OR common blinding which interpreted with other contractors.
- Any Insulation & Refractory removal , repair or Installation activity
- All sort of Painting work.
- Any type of hot work involving cutting, grinding & welding as recommended by reliability & inspection team.
- Erection of all scaffolds and revisions, Insulation and any type of welding and grinding works recommended by Inspection team or OEM.
- Providing necessary cranes, safety gears, steam & portable compressors along with relevant crews, Where over required.
- All NDT Inspections like verification of work quality and final approval of cleaning & repair work.
- Provide drawings, blinds, gaskets, spares or any other materials and consumables required to facilitate the subject job.
- All temporary lighting for confined space entry (IF required by GI, Class-1 Div-1)
- All EHS meters and monitors required by General Instruction
- All non-consumable material required to perform the scope of work
- Providing necessary consumable and expendable supplies in sufficient quality and quantity for personnel to perform the scope of work safely and efficiently.
- Supplying all qualified labor, Confined space attendants, supervision, tools, equipment, technical support, consumables, expendables, and temporary supplies necessary for, and reasonably incidental to complete Extruder work.
- Provide a well-trained & certified Permit receiver.
- Provide forklifts and qualified forklift operators.
- All necessary cleaning tools, sprays & chemicals.
- Coordination with reliability for any inspection.
- Where there would be a requirement of special safety arrangements, barricades and warning boards, these will be installed by client as per equipment & plant location.
- Maintaining a job site that is clean and free of debris at all times.
- Providing full time Safety personnel whose sole responsibility shall be to ensure personnel conduct work in accordance with Rules and Regulations of client, and that good safe work practices are utilized at all times.
- All tools, equipment, and resources are subject to initial and periodic inspection by client personnel to ensure safe and compliant use within the client facility. Contractor reserves the right to reject use of any tool(s) or equipment for cause. Tool container shall be provided by client.
- All Contractor nominated site employees incl. sub-suppliers (If any) shall be issued with all relevant site entry documents. These documents shall be valid for the entire duration of site visit period to prevent any site work delays.
- For any compulsory regulations / courses which require attendance by Contractor nominated employees & Sub-Suppliers, the required time period will be invoiced additionally by Contractor.
- All listed Contractor Tools and other installation materials are to be confirmed and accepted by the site security when entering site during the entire project duration.
- Lay-down area for all Materials & Tools shall be available for Contractor & Sub-Suppliers (If any) during the entire Service duration.
- Office facilities for Coperion-Blast Resistant
- Module for essential on-site personnel, or work space in the T/A office for non-essential personnel
- Room or Tent with tables and chairs for lunch and rest break
- Prayer facilities in designated work locations

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- Smoke Shelters in designated work locations
- Sanitary facilities (toilets and hand wash stations)
- Provide utilities such as water, lights for internal and external use.
- Drinking water around the clock; Tea and Coffee availability
- Authority to Instruct
Work orders are solely given to our personnel by us. Non-scheduled work requires our consent. The customer has the authority to instruct our personnel with regard to his work and safety regulations.
- Assistance by the Customer
The customer has to create in good time all conditions, including the legal ones, to enable our personnel's work, to give technical support, to provide appropriate working conditions and all necessary tools and devices in good time and free of charge which includes among other things the provision of office communication media like telephone, printer, scanner and internet access. Moreover, the customer has to take measures to safeguard personnel and equipment, to inform our personnel about local and internal company safety regulations and to control its adherence. The customer has to provide suitable premises with washing facilities and lockable storage rooms for tools, devices and spare parts etc. The costs for these services shall be borne by the customer. The skilled workers and auxiliary staff, which the customer provides, must be able to fulfil the jobs in every respect. The skilled workers and auxiliary staff provided by the customer shall obey the technical instructions of our personnel. We are only liable for incorrect instructions of our personnel if such instructions were given intentionally or as an act of culpable negligence, but we are not liable in case of incorrect execution of instructions by the customer's personnel.
- Miscellaneous
These terms and conditions for assembly supervision and start-up are supplemented by our general terms and conditions of sale.